103D CONGRESS 1ST SESSION

8

H. R. 708

To amend the Federal Election Campaign Act of 1971 and the Internal Revenue Code of 1986 to make Federal elections more competitive, open, and honest.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 2, 1993

Mr. Bereuter introduced the following bill; which was referred jointly to the Committees on House Administration and Ways and Means

A BILL

To amend the Federal Election Campaign Act of 1971 and the Internal Revenue Code of 1986 to make Federal elections more competitive, open, and honest.

- Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

 SECTION 1. ELIMINATION OF THE FUNCTIONS OF THE SECRETARY OF THE SENATE AND THE CLERK OF
 THE HOUSE OF REPRESENTATIVES WITH RESPECT TO THE FEDERAL ELECTION COMMISSION.
 - (a) Elimination of Ex Officio Membership.—

1	(1) The second sentence of section $306(a)(1)$ of
2	the Federal Election Campaign Act of 1971 (2
3	U.S.C. $437c(a)(1)$) is amended by striking out "the
4	Secretary" and all that follows through "vote, and".
5	(2) Paragraph (3), paragraph (4), and para-
6	graph (5) of subsection (a) of section 306 of the
7	Federal Election Campaign Act of 1971 (2 U.S.C.
8	437c(a) (3), (4), and (5)) are each amended by
9	striking out "(other than the Secretary of the Sen-
10	ate and the Clerk of the House of Representatives)".
11	(b) All Reports To Be Filed With the Commis-
12	$\ensuremath{SION}.Section\ 302(g)$ of the Federal Election Campaign
13	Act of 1971 (2 U.S.C. 432(g)) is amended to read as fol-
14	lows:
15	"(g) All designations, statements, and reports re-
16	quired to be filed under this Act shall be filed with the
17	Commission.".
18	SEC. 2. RESTRICTION ON POLITICAL USE OF LABOR ORGA-
19	NIZATION DUES AND AGENCY FEES.
20	Title III of the Federal Election Campaign Act of
21	1971 (2 U.S.C. 431 et seq.) is amended by adding at the
22	end the following new section:
23	"RESTRICTION ON POLITICAL USE OF LABOR
24	ORGANIZATION DUES AND AGENCY FEES
25	"Sec. 324. (a) No labor organization may use dues

- 1 paying the dues or fees approves the use in writing. The
- 2 employee may revoke such approval at any time.
- 3 "(b) At least once in each year, any labor organiza-
- 4 tion that uses dues or agency fees for political purposes
- 5 shall provide written notice of the provisions of subsection
- 6 (a) to each employee paying dues or agency fees to the
- 7 labor organization.
- 8 "(c) As used in this section, the term 'labor organiza-
- 9 tion' has the meaning given that term in section
- 10 316(b)(1).".
- 11 SEC. 3. HOUSE OF REPRESENTATIVES ELECTION LIMITA-
- 12 TION ON CONTRIBUTIONS FROM PERSONS
- 13 OTHER THAN LOCAL INDIVIDUAL RESIDENTS.
- 14 Section 315 of the Federal Election Campaign Act
- 15 of 1971 (2 U.S.C. 441a) is amended by adding at the end
- 16 the following new subsection:
- "(i)(1) A candidate for the office of Representative
- 18 in, or Delegate or Resident Commissioner to, the Congress
- 19 may not, with respect to a reporting period for an election,
- 20 accept contributions from persons other than local individ-
- 21 ual residents totaling in excess of the total of contributions
- 22 accepted from local individual residents.
- 23 "(2) As used in this subsection, the term 'local indi-
- 24 vidual resident' means an individual who resides in a coun-

- 1 ty, any part of which is in the congressional district
- 2 involved.".
- 3 SEC. 4. EFFECTIVE PROVISION.
- 4 During any period with respect to which subsection
- 5 (i) of section 315 of the Federal Election Campaign Act
- 6 of 1971, as added by section 3, is not in effect, such sub-
- 7 section shall be effective as so added, together with the
- 8 following new paragraph:
- 9 "(3) For purposes of this subsection, an individual
- 10 may not be considered a resident of more than one con-
- 11 gressional district.".
- 12 SEC. 5. ADDITIONAL STATEMENT FROM INDIVIDUALS WHO
- 13 MAKE INDEPENDENT EXPENDITURES.
- 14 Section 304 of the Federal Election Campaign Act
- 15 of 1971 (2 U.S.C. 434) is amended by adding at the end
- 16 the following new subsection:
- 17 "(d) Any individual who is required to file a state-
- 18 ment of independent expenditures under subsection (c)
- 19 shall include in such statement—
- 20 "(1) a certification that expenditures covered in
- 21 the statement are from the personal funds of the in-
- 22 dividual; and
- "(2) if a check or similar instrument is used to
- make any such expenditure, the name and address

1	of the financial institution on which the instrument
2	is drawn.''.
3	SEC. 6. PROHIBITION ON CONTRIBUTIONS AND EXPENDI-
4	TURES BY STATES IN ELECTIONS FOR FED-
5	ERAL OFFICE.
6	Section 315 of the Federal Election Campaign Act
7	of 1971 (2 U.S.C. 441a), as amended by section 3, is fur-
8	ther amended by adding at the end the following new sub-
9	section:
10	"(j) Notwithstanding any other provision of law, a
11	State may not—
12	"(1) make any contribution or expenditure with
13	respect to an election for Federal office; or
14	"(2) act as an intermediary or conduit with re-
15	spect to any such contribution.".
16	SEC. 7. DISCLOSURE OF DEBT SETTLEMENT AND LOAN SE-
17	CURITY AGREEMENTS.
18	Section 304(b) of the Federal Election Campaign Act
19	of 1971 (2 U.S.C. 434(b)) is amended—
20	(1) in paragraph (7), by striking out "and"
21	after the semicolon at the end;
22	(2) in paragraph (8), by striking out the period
23	at the end, and inserting in lieu thereof a semicolon;
24	and

1	(3) by adding at the end the following new
2	paragraphs:
3	"(9) for the reporting period, the terms of any
4	settlement agreement entered into with respect to a
5	loan or other debt, as evidenced by a copy of such
6	agreement filed as part of the report; and
7	"(10) for the reporting period, the terms of any
8	security or collateral agreement entered into with re-
9	spect to a loan, as evidenced by a copy of such
10	agreement filed as part of the report.".
11	SEC. 8. CONTRIBUTIONS FOR DRAFT AND ENCOURAGE-
12	MENT PURPOSES WITH RESPECT TO ELEC-
13	TIONS FOR FEDERAL OFFICE.
14	(a) Definition.—Section 301(8)(A) of the Federal
15	Election Campaign Act of 1971 (2 U.S.C. 431(8)(A)) is
	Election Campaign Act of 1971 (2 U.S.C. 431(8)(A)) is amended—
	• 0
16	amended—
16 17	amended— (1) in clause (i), by striking out "or" after the
16 17 18	amended— (1) in clause (i), by striking out "or" after the semicolon at the end;
16 17 18 19	amended— (1) in clause (i), by striking out "or" after the semicolon at the end; (2) in clause (ii), by striking out the period at
16 17 18 19 20	amended— (1) in clause (i), by striking out "or" after the semicolon at the end; (2) in clause (ii), by striking out the period at the end and inserting in lieu thereof "; and"; and
116 117 118 119 220 221	amended— (1) in clause (i), by striking out "or" after the semicolon at the end; (2) in clause (ii), by striking out the period at the end and inserting in lieu thereof "; and"; and (3) by adding at the end the following new
116 117 118 119 220 221 222	amended— (1) in clause (i), by striking out "or" after the semicolon at the end; (2) in clause (ii), by striking out the period at the end and inserting in lieu thereof "; and"; and (3) by adding at the end the following new clause:

1	fied individual as a candidate for Federal office or
2	encouraging a clearly identified individual to become
3	a candidate for Federal office.".
4	(b) Draft and Encouragement Contributions
5	To Be Treated as Candidate Contributions.—Sec-
6	tion 315(a) of the Federal Election Campaign Act of 1971
7	(2 U.S.C. 441a(a)) is amended by adding at the end the
8	following new paragraph:
9	"(9) For purposes of paragraph (1)(A) and para-
10	graph (2)(A), any contribution described in section
11	301(8)(A)(iii) shall be treated, with respect to the individ-
12	ual involved, as a contribution to a candidate, whether or
13	not the individual becomes a candidate.".
13 14	not the individual becomes a candidate.". SEC. 9. CLARITY STANDARDS FOR IDENTIFICATION OF
14	SEC. 9. CLARITY STANDARDS FOR IDENTIFICATION OF
14 15	SEC. 9. CLARITY STANDARDS FOR IDENTIFICATION OF SPONSORS OF CERTAIN UNAUTHORIZED PO-
14 15 16 17	SEC. 9. CLARITY STANDARDS FOR IDENTIFICATION OF SPONSORS OF CERTAIN UNAUTHORIZED PO- LITICAL ADVERTISING.
14 15 16 17	SEC. 9. CLARITY STANDARDS FOR IDENTIFICATION OF SPONSORS OF CERTAIN UNAUTHORIZED PO- LITICAL ADVERTISING. Section 318(a) of the Federal Election Campaign Act
14 15 16 17	SEC. 9. CLARITY STANDARDS FOR IDENTIFICATION OF SPONSORS OF CERTAIN UNAUTHORIZED PO- LITICAL ADVERTISING. Section 318(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d(a)) is amended—
114 115 116 117 118	SEC. 9. CLARITY STANDARDS FOR IDENTIFICATION OF SPONSORS OF CERTAIN UNAUTHORIZED PO- LITICAL ADVERTISING. Section 318(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d(a)) is amended— (1) by striking out "Sec. 318. (a)" and insert-
14 15 16 17 18 19 20	SEC. 9. CLARITY STANDARDS FOR IDENTIFICATION OF SPONSORS OF CERTAIN UNAUTHORIZED PO- LITICAL ADVERTISING. Section 318(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d(a)) is amended— (1) by striking out "Sec. 318. (a)" and inserting in lieu thereof "Sec. 318. (a)(1)";
14 15 16 17 18 19 20 21	SEC. 9. CLARITY STANDARDS FOR IDENTIFICATION OF SPONSORS OF CERTAIN UNAUTHORIZED PO- LITICAL ADVERTISING. Section 318(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d(a)) is amended— (1) by striking out "Sec. 318. (a)" and inserting in lieu thereof "Sec. 318. (a)(1)"; (2) by redesignating paragraphs (1), (2), and

1	striking out ", or" at the end and inserting in lieu
2	thereof a semicolon;
3	(4) in subparagraph (B) of paragraph (1), as so
4	redesignated, by inserting "or" after the semicolor
5	at the end;
6	(5) in subparagraph (C) of paragraph (1), as so
7	redesignated, by striking out "clearly state" and all
8	that follows through "committee." and inserting in
9	lieu thereof the following: "contain a clear statement
10	disclosing the name of the person paying for the
11	communication and the unauthorized nature of the
12	communication.
13	"(2) As used in paragraph (1)(C), the term 'clean
14	statement' means a statement that—
15	"(A) appears at the beginning and the end of
16	the communication;
17	"(B) is easily readable or audible, as the case
18	may be;
19	"(C) is in a format that unambiguously identi-
20	fies the person paying for the communication; and
21	"(D) specifies that the communication is not
22	authorized by any candidate.".

1	SEC. 10. REMOVAL OF CERTAIN LIMITATIONS APPLICABLE
2	TO A HOUSE OF REPRESENTATIVES CAN-
3	DIDATE IF AN OPPONENT MAKES LARGE EX-
4	PENDITURES OF PERSONAL FUNDS.
5	Section 315 of the Federal Election Campaign Act
6	of 1971 (2 U.S.C. 441a), as amended by sections 3 and
7	6, is further amended by adding at the end the following
8	new subsection:
9	``(k)(1) The Commission shall prescribe by regulation
10	procedures under which a candidate in an election for the
11	office of Representative in, or Delegate or Resident Com-
12	missioner to, the Congress may certify to the Commission
13	the intention of the candidate to limit to \$100,000 the
14	total of expenditures from the personal funds of the can-
15	didate and the personal funds of the immediate family of
16	the candidate.
17	"(2) A certification under paragraph (1) may not be
18	revoked and, upon submission of the certification, a limita-
19	tion of \$100,000 on the expenditures described in para-
20	graph (1) shall apply to the candidate for purposes of this
21	Act.
22	"(3) If any candidate in such election—
23	"(A) does not submit a certification under para-
24	graph (1); or
25	"(B) makes an expenditure in violation of para-
26	graph (2);

- 1 no limitation on contributions under subsection (a)(1)(A)
- 2 or subsection (a)(2)(A) shall apply to any other candidate
- 3 in the election.".
- 4 SEC. 11. ADDITIONAL PROHIBITIONS ON ELECTION-RELAT-
- 5 ED ACTIVITY BY CORPORATIONS AND LABOR
- 6 ORGANIZATIONS; DISCLOSURE OF PER
- 7 MITTED ELECTION-RELATED ACTIVITY.
- 8 (a) Prohibited Activities.—Paragraph (2) of sec-
- 9 tion 316(b) of the Federal Election Campaign Act of 1971
- 10 (2 U.S.C. 441b(b)(2)) is amended—
- 11 (1) in subparagraph (A), by striking out "sub-
- ject;" and inserting in lieu thereof "subject (other
- than a communication for the purpose of influencing
- any election for Federal office); and";
- 15 (2) by striking out "(B)" and all that follows
- through "families; and"; and
- 17 (3) by redesignating subparagraph (C) as sub-
- paragraph (B).
- 19 (b) DISCLOSURE REQUIREMENTS.—Section 304 of
- 20 the Federal Election Campaign Act of 1971 (2 U.S.C.
- 21 434) is amended by adding at the end the following new
- 22 subsection:
- 23 "(d) Any corporation or labor organization that
- 24 makes a payment for a communication or other activity
- 25 that—

1	"(1) relates to any election for Federal office;
2	and
3	"(2) by reason of subparagraph (A) or (B) of
4	paragraph (2) of section 316(b), is not a contribu-
5	tion or expenditure;
6	shall report such payment to the Commission in the same
7	manner as a contribution or expenditure, as the case may
8	be, is reported by a principal campaign committee of a
9	candidate for the House of Representatives or the Senate
10	under this section.".
11	SEC. 12. BAN ON SOFT MONEY.
12	Title III of the Federal Election Campaign Act of
13	1971 (2 U.S.C. 431 et seq.), as amended by section 2,
14	is further amended by adding at the end the following new
15	section:
16	"LIMITATIONS AND REPORTING REQUIREMENTS FOR
17	AMOUNTS PAID FOR MIXED POLITICAL ACTIVITIES
18	"SEC. 325. (a) Any payment by the national commit-
19	tee of a political party or a State committee of a political
20	party for a mixed political activity—
21	"(1) shall be subject to limitation and reporting
22	under this Act as if such payment were an expendi-
23	ture; and
24	"(2) may be paid only from an account that is
25	subject to the requirements of this Act

- 1 "(b) As used in this section, the term 'mixed political
- 2 activity' means, with respect to a payment by the national
- 3 committee of a political party or a State committee of a
- 4 political party, an activity, such as a voter registration
- 5 program, a get-out-the-vote drive, or general political ad-
- 6 vertising, that is both (1) for the purpose of influencing
- 7 an election for Federal office, and (2) for any purpose un-
- 8 related to influencing an election for Federal office.".

9 SEC. 13. INCOME TAX CREDIT FOR QUALIFIED POLITICAL

- 10 **CONTRIBUTIONS.**
- 11 (a) IN GENERAL.—Subpart A of part IV of sub-
- 12 chapter A of chapter 1 of the Internal Revenue Code of
- 13 1986 (relating to nonrefundable personal credits) is
- 14 amended by inserting after section 23 the following new
- 15 section:
- 16 "SEC. 24. QUALIFIED POLITICAL CONTRIBUTIONS.
- 17 "(a) GENERAL RULE.—In the case of an individual,
- 18 there shall be allowed, subject to the limitations of sub-
- 19 section (b), as a credit against the tax imposed by this
- 20 chapter for the taxable year, an amount equal to the
- 21 amount of qualified political contributions, payment of
- 22 which is made by the taxpayer within the taxable year.
- 23 "(b) Limitations.—
- 24 "(1) MAXIMUM CREDIT.—The credit allowed by
- subsection (a) for a taxable year shall not exceed

1	\$250 (\$500 in the case of a joint return under sec-
2	tion 6013).
3	"(2) Verification.—The credit allowed by
4	subsection (a) shall be allowed, with respect to any
5	qualified political contribution, only if such contribu-
6	tion is verified in such manner as the Secretary shall
7	prescribe by regulations.
8	$\rm ``(c) \ Definitions.—For \ purposes \ of \ this \ section:$
9	"(1) Qualified political contribution.—
10	The term 'qualified political contribution' means a
11	contribution—
12	"(A) by a taxpayer who is a resident of the
13	State involved, to a candidate for the office of
14	Senator or Representative in, or Delegate to,
15	the Congress;
16	"(B) to the national committee of a na-
17	tional political party, the House of Representa-
18	tives campaign committee of a national political
19	party, or the Senate campaign committee of a
20	national political party;
21	"(C) by a taxpayer who is a resident of the
22	State involved, to the State committee of a na-
23	tional political party as designated by the na-
24	tional committee of such party; or

1	"(D) by a taxpayer who is a resident of the
2	State involved, to a local committee of a na-
3	tional political party as designated by the State
4	committee of such party designated under sub-
5	paragraph (C).
6	"(2) CANDIDATE.—The term 'candidate' has
7	the meaning given that term in section 301 of the
8	Federal Election Campaign Act of 1971.
9	"(3) National political party.—The term
10	'national political party' means—
11	"(A) in the case of contributions made
12	during a taxable year of the taxpayer in which
13	the electors of President and Vice President are
14	chosen, a political party presenting candidates
15	or electors for such offices on the official elec-
16	tion ballot of 10 or more States, or
17	"(B) in the case of contributions made
18	during any other taxable year of the taxpayer,
19	a political party which met the qualifications
20	described in subparagraph (A) in the last pre-
21	ceding election of a President and Vice Presi-
22	dent.
23	"(4) State and local.—The term 'State'
24	means the various States and the District of Colum-
25	bia; and the term 'local' means a political subdivi-

sion or part thereof, or 2 or more political subdivi-1 2 sions or parts thereof, of a State. 3 "(d) Cross References.— "(1) For disallowance of credits to estates and trusts, see section 642(a)(2). "(2) For treatment of Indian tribal governments as States (and the political subdivisions of Indian tribal governments as political subdivisions of States), see section 7871." "(b) TECHNICAL AMENDMENTS.— 4 5 (1) Subsection (a) of section 642 of such Code is amended to read as follows: 6 "(a) Credits Against Tax.— 7 "(1) Foreign tax credit allowed.—An es-8 9 tate or trust shall be allowed the credit against tax 10 for taxes imposed by foreign countries and possessions of the United States, to the extent allowed by 11 12 section 901, only in respect of so much of the taxes 13 described in such section as is not properly allocable 14 under such section to the beneficiaries. 15 "(2)QUALIFIED POLITICAL CONTRIBUTION CREDIT NOT ALLOWED.—An estate or trust shall not 16 be allowed the credit against tax for qualified politi-17 18 cal contributions provided by section 24." (2) Paragraph (6) of section 7871(a) of such 19 20 Code is amended by redesignating subparagraphs (A) through (D) as subparagraphs (B) through (E), 21

respectively, and by inserting before subparagraph

22

- (B) (as so redesignated) the following new subpara-1 graph: 2 "(A) section 24(c)(4) (defining State for 3 purposes of credit for qualified political con-4 tributions),". 5 (3) The table of sections for subpart A of part 6 7 IV of subchapter A of chapter 1 of such Code is 8 amended by inserting after the item relating to sec-9 tion 23 the following new item: "Sec. 24. Qualified political contributions.". 10 (c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1992. 12 SEC. 14. ANNUAL LIMITATION ON TOTAL INDIVIDUAL CON-14 TRIBUTIONS NOT TO BE APPLICABLE TO 15 CERTAIN CONTRIBUTIONS TO POLITICAL 16 PARTIES. 17 Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)) is amended by insert-18 ing after the first sentence the following new sentence: "In
- 21 tation in the preceding sentence, contributions by an indi-

the computation of contributions for purposes of the limi-

- 21 carron an one processing contents across all and and
- 22 vidual to national, State, and local committees of political
- 23 parties that, in the aggregate, do not exceed \$25,000 in
- 24 a calendar year shall not be taken into account.".

1	SEC. 15. REMOVAL OF CERTAIN LIMITATIONS ON POLITI-
2	CAL PARTY CONTRIBUTIONS IN GENERAL
3	ELECTIONS FOR FEDERAL OFFICE.
4	Section 315 of the Federal Election Campaign Act
5	of 1971 (2 U.S.C. 441a), as amended by sections 3, 6,
6	and 10, is further amended by adding at the end the fol-
7	lowing new subsection:
8	"(l) Notwithstanding subsection (a) and subsection
9	(d)(3), no limitation shall apply to contributions in a gen-
10	eral election by a political committee of a political party
11	referred to in subsection (d)(3) or by a House of Rep-
12	resentatives or Senate campaign committee of a political
13	party.''.
14	SEC. 16. ADDITIONAL PARTY COMMITTEE COORDINATED
15	EXPENDITURES TO OFFSET INDEPENDENT
16	EXPENDITURES IN CONGRESSIONAL ELEC-
17	TIONS.
18	Section 315(d) of the Federal Election Campaign Act
19	of 1971 (2 U.S.C. 441a(d)) is amended by adding at the
20	end the following new paragraph:
21	"(4) In addition to the expenditures under paragraph
22	(3), the committees referred to in that paragraph may
23	make expenditures in connection with the general election
24	campaign of a candidate of that party for the office of
25	Senator or Representative in, or Delegate or Resident
26	Commissioner to, the Congress in a total amount of not

- 1 more than the total amount of independent expenditures
- 2 expressly advocating the defeat of such candidate and
- 3 independent expenditures expressly advocating the election
- 4 of any other candidate.".
- 5 SEC. 17. LIMITATIONS AND REPORTING REQUIREMENTS
- 6 **FOR SOFT MONEY.**
- 7 (a) IN GENERAL.—Title III of the Federal Election
- 8 Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended
- 9 by sections 2 and 12, is further amended by adding at
- 10 the end the following new section:
- 11 "LIMITATIONS AND REPORTING REQUIREMENTS FOR THE
- 12 FEDERAL ELECTION PORTION OF AMOUNTS PAID
- 13 FOR MIXED ACTIVITIES
- 14 "Sec. 326. (a) Any payment by the national commit-
- 15 tee of a political party or a State committee of a political
- 16 party for the Federal election portion of a mixed political
- 17 activity—
- 18 "(1) shall be subject to limitation and reporting
- under this Act as if such payment were an expendi-
- 20 ture; and
- 21 "(2) may be paid only from an account that is
- subject to the requirements of this Act.
- 23 Subject to subsection (b), the amount of a payment for
- 24 the Federal election portion of a mixed political activity
- 25 shall be calculated by determining the percentage of the

- 1 mixed political activity that is reasonably attributable to
- 2 the purpose of influencing an election for Federal office.
- 3 "(b)(1) In the case of the national committee of a
- 4 political party, the amount of a payment for the Federal
- 5 election portion of a mixed political activity—
- 6 "(A) in a Presidential election year, shall be not
- 7 less than 67 percent of the total payment for the
- 8 mixed political activity; and
- 9 "(B) in any other even-numbered year, shall be
- not less than 33 percent of the total payment for the
- 11 mixed political activity.
- 12 "(2) In the case of a State committee of a political
- 13 party the amount of a payment for the Federal election
- 14 portion of a mixed political activity—
- 15 "(A) in a Presidential election year, shall be not
- less than 33 percent of the total payment for the
- mixed political activity; and
- 18 "(B) in any other even-numbered year, shall be
- not less than 20 percent of the total payment for the
- 20 mixed political activity.
- 21 "(c) As used in this section, the term 'mixed political
- 22 activity' means, with respect to a payment by the national
- 23 committee of a political party or a State committee of a
- 24 political party, an activity, such as a voter registration
- 25 program, a get-out-the-vote drive, or general political ad-

- 1 vertising, that is both (1) for the purpose of influencing
- 2 an election for Federal office, and (2) for any purpose un-
- 3 related to influencing an election for Federal office.".
- 4 (b) Building Fund Exception Repeal.—Section
- 5 301(8)(B) of the Federal Election Campaign Act of 1971
- 6 (2 U.S.C. 431(8)(B)) is amended—
- 7 (1) by striking out clause (viii); and
- 8 (2) by redesignating clauses (ix) through (xiv)
- 9 as clauses (viii) through (xiii), respectively.
- 10 SEC. 18. INDEPENDENT LOCAL COMMITTEES OF POLITICAL
- 11 PARTIES WITH AUTHORITY TO MAKE UNLIM-
- 12 ITED CONTRIBUTIONS AND EXPENDITURES
- 13 WITH RESPECT TO CONGRESSIONAL ELEC-
- 14 TIONS.
- 15 (a) Definition.—Section 301 of the Federal Elec-
- 16 tion Campaign Act of 1971 (2 U.S.C. 431) is amended
- 17 by adding at the end the following new paragraph:
- 18 "(20) The term 'local committee' means the organiza-
- 19 tion which, by virtue of the rules of a political party, is
- 20 responsible (independently of the State committee) for the
- 21 day-to-day operation of such political party at the city,
- 22 county, or other political subdivision level, or at the dis-
- 23 trict, neighborhood, ward, or similar area level, as deter-
- 24 mined by the Commission.".

(b) Contribution Provision.—Section 315(a) of 1 the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)) is amended by adding at the end the following 3 4 new paragraph: "(9) Notwithstanding paragraph (1)(A) and para-5 graph (2)(A), a local committee of a political party may make contributions without limitation to any candidate who— 8 "(A) is affiliated with that party; and 9 10 "(B) is a candidate for the office of Senator or 11 Representative in, or Delegate or Resident Commis-12 sioner to, the Congress in the State involved.". (c) Coordinated Expenditure Provision.—Sec-13 tion 315(d) of the Federal Election Campaign Act of 1971 14 15 (2 U.S.C. 441a(d)), as amended by section 4, is further amended by adding at the end the following new paragraph: 17 18 "(5) A local committee of a political party may make expenditures without limitation in connection with the 19 general election campaign of any candidate who— "(A) is affiliated with that party; and 21 22 "(B) is a candidate for the office of Senator or Representative in, or Delegate or Resident Commis-23

sioner to, the Congress in the State involved.".

24

1	SEC. 19. REDUCTION IN THE LIMITATION APPLICABLE TO
2	NONPARTY MULTICANDIDATE POLITICAL
3	COMMITTEE CONTRIBUTIONS TO CAN-
4	DIDATES.
5	(a) IN GENERAL.—Section 315 of the Federal Elec-
6	tion Campaign Act of 1971 (2 U.S.C. 441a), as amended
7	by sections 3, 6, 10, and 15, is further amended by adding
8	at the end the following new subsection:
9	``(m) Notwithstanding subsection (a)(2)(A), no
10	nonparty multicandidate political committee may make
11	contributions referred to in that subparagraph which, in
12	the aggregate, exceed \$1,000.".
13	(b) Technical Amendment.—Section 315(a)(2)(A)
14	of the Federal Election Campaign Act of 1971 (2 U.S.C. $$
15	441a(a)(2)(A)) is amended by inserting after "(A)" the
16	following: "except as provided in subsection (i),".
17	(c) Effective Date.—The amendments made by
18	this section shall apply with respect to elections for Fed-
19	eral office taking place after November 8, 1994.
20	SEC. 20. PROHIBITION OF SEPARATE SEGREGATED FUND
21	BUNDLING OF CONTRIBUTIONS TO CAN-
22	DIDATES.
23	Section 316 of the Federal Election Campaign Act

24 of 1971 (2 U.S.C. 441b) is amended by adding at the end

25 the following new subsection:

- 1 "(c) No separate segregated fund (as described in
- 2 subsection (b)(2)(C)) may act as an intermediary or con-
- 3 duit with respect to a contribution to a candidate for Fed-
- 4 eral office.".
- 5 SEC. 21. PROHIBITION OF TRANSFERS AMONG NONCAN-
- 6 **DIDATE, NONPARTY POLITICAL COMMITTEES.**
- 7 Section 315 of the Federal Election Campaign Act
- 8 of 1971 (2 U.S.C. 441a), as amended by sections 3, 6,
- 9 10, 15, and 19, is further amended by adding at the end
- 10 the following new subsection:
- 11 "(n) A noncandidate, nonparty political committee
- 12 may not make contributions, or otherwise transfer funds,
- 13 to any other noncandidate, nonparty political committee.
- 14 As used in this subsection, the term 'noncandidate,
- 15 nonparty political committee' means a political committee
- 16 that is not an authorized committee of a candidate for
- 17 Federal office and is not a political committee of a political
- 18 party.".
- 19 SEC. 22. PROHIBITION OF LEADERSHIP COMMITTEES; RE-
- 20 STRICTION ON CONTRIBUTIONS BETWEEN
- 21 PRINCIPAL CAMPAIGN COMMITTEES.
- 22 (a) Leadership Committee Prohibition.—Sec-
- 23 tion 302 of the Federal Election Campaign Act of 1971
- 24 (2 U.S.C. 432) is amended by adding at the end the fol-
- 25 lowing new subsection:

- 1 "(j) A candidate for Federal office may not establish,
- 2 maintain, finance, or control a political committee, other
- 3 than the principal campaign committee of the candidate.".
- 4 (b) Principal Campaign Committee Restric-
- 5 TION.—Section 315 of the Federal Election Campaign Act
- 6 of 1971 (2 U.S.C. 441a), as amended by sections 1, 3,
- 7 6, 10, 15, 19, and 21, is further amended by adding at
- 8 the end the following new subsection:
- 9 "(o) A principal campaign committee of a candidate
- 10 for Federal office may not make any contribution to any
- 11 other principal campaign committee (other than the prin-
- 12 cipal campaign committee of the same individual as a can-
- 13 didate for another Federal office).".

C